



Virginia Information Technologies Agency



VITA Update

Sam A. Nixon Jr.

Chief Information Officer of the Commonwealth

Information Technology Advisory Commission

February 6, 2012



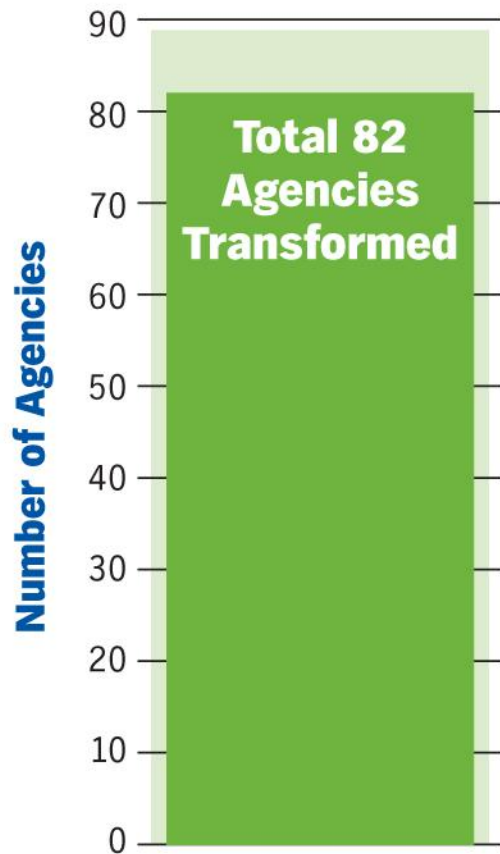


Topics for Discussion

- IT management in Virginia
- Initiatives
 - Enterprise applications
 - Enterprise services and roadmap
- CoVA IT spend
- Future challenges



Current State of IT Management



- Transformation
 - Critical mass achieved
 - Standard, reliable and secure
- Remaining agencies
 - DOC, VDEM, DFS, DMAS, VDOT, VSP, VEC
- VITA organization
 - Stable financials
 - Improved processes and metrics
 - APA audit



Enterprise Initiatives

- GOAL: increase efficiency and productivity of state government
- Enterprise applications and services
 - Enterprise ERP (Cardinal)
 - Performance budgeting (PB)
 - Time, attendance and leave (TAL)
 - Commonwealth authentication services (CAS)
 - Enterprise data management (EDM)
 - Enterprise service-oriented architecture (ESOA) platform



Enterprise Services, Technology Roadmap

- New services
 - Collaboration (SharePoint)
 - Productivity (CRM xRM)
 - Email archiving (Symantec)
 - Support for mobile computing (iPhones, Droids, other non-BlackBerry handhelds - Good Technology)
 - VoIP (UCaaS)
- Technology updates: Exchange 2010, Windows 07, desktop refresh, Office 2010
- Data center improvements: EMC, TimeFinder, NetQoS, more



Agency IT Projects (November 2011)

Categories 1,2,3

51 projects

Value of \$448,153,627

- **Project Initiation Approval**
25 projects - Value of \$338,614,018
- **Investment Business Case Approval**
19 projects - Value of \$72,183,359
- **Identified for Preliminary Planning**
7 projects - Value of \$37,356,250

Category 4

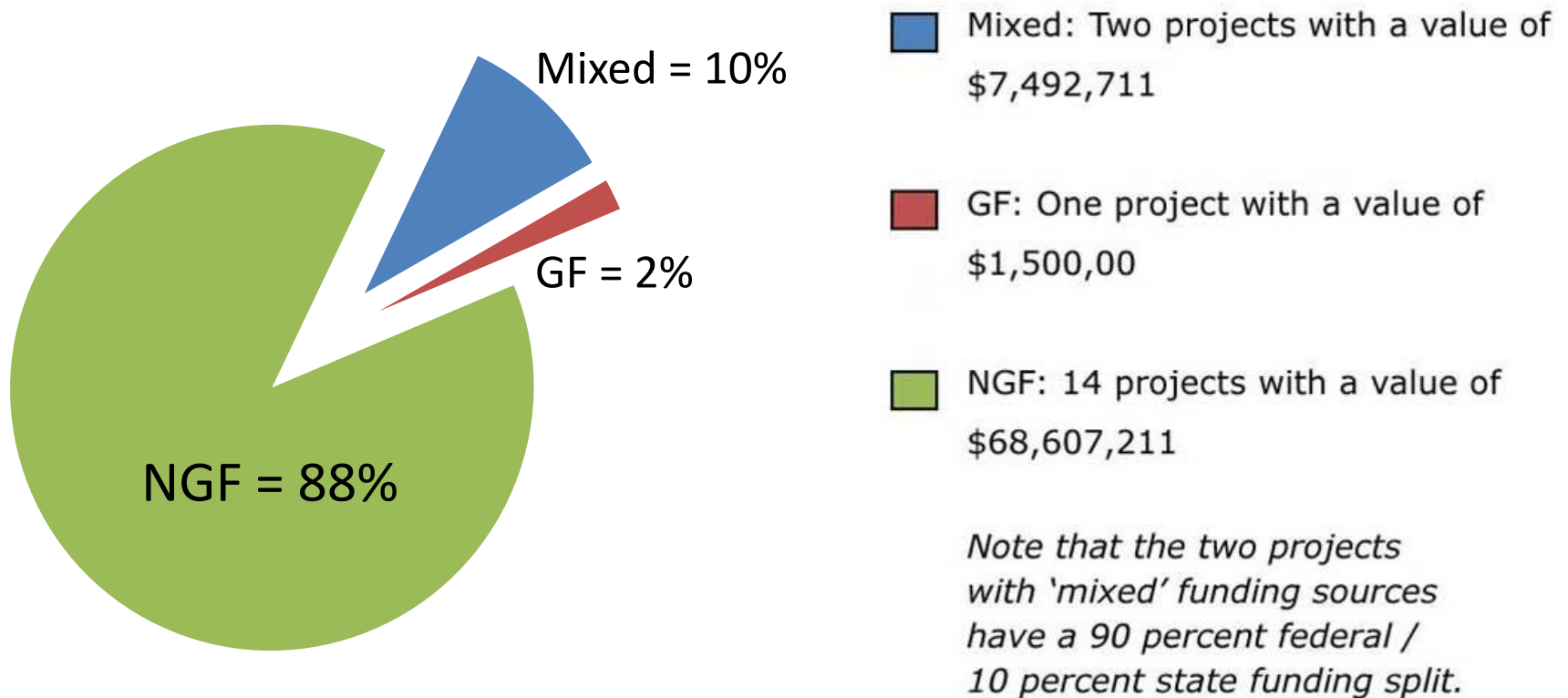
153 projects

Value of \$ 71,010,238

- **Approved for Development**
40 projects - Value of \$19,415,093
- **Approved for Planning**
49 projects - Value of \$21,057,093
- **Identified for Preliminary Planning**
64 projects - Value of \$30,537,780



Majority of New IT Projects are NGF



Source: RTIP Report, Sept.2011



Examples of Active Major IT Projects

Agency – Project Name	Amount
VEC Unemployment Insurance Modernization	\$58,540,155
VDOT Cardinal Project (Phase 1)	\$58,337,353
DOC Phase 2 and 3 Correctional Info. Sys. (CORIS)	\$23,093,458
DSS Automated Child Care Subsidy Sys.	\$20,364,802
DPB Performance Budgeting	\$15,000,313
DOE State Longitudinal Data Sys.	\$13,522,897



VITA Costs Are Typically 2% of Budgets

Top 3 Secretariats *	FY11 Expenditures	FY11 VITA Invoices	VITA Invoices as % of Expenditures
Health & Human Resources	\$11,444,944,021	\$94,620,395	0.83%
Public Safety	2,585,093,541	51,304,327	1.98
Transportation	4,356,739,370	77,077,875	1.77
	\$18,386,776,932	\$223,002,597	1.21%

Sources: Commonwealth Data Point, VITA

* Top 3 account for 74% of VITA invoices



Challenges

- IT security
- VITA “mythology”
 - IT infrastructure as a fully-managed service, cost recovery
- Customer service
 - Perception vs. reality (work requests, help desk, SLAs)
 - Work requests for custom services can lag
- Enterprise apps
 - Program management, long-term M&O and cost recovery
- Legacy applications
 - CARS, PMIS, ADAPT, many others
- Evolution of Northrop Grumman relationship
 - Agility and responsiveness
 - Technology innovation, new technologies
- VITA organization



Questions?

Samuel A. Nixon Jr.

sam.nixon@vita.virginia.gov

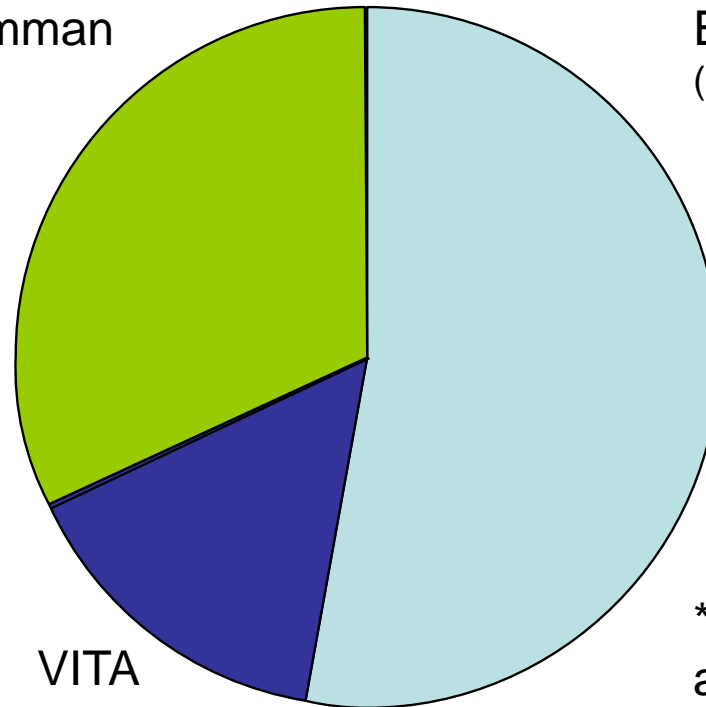
(804) 416-6004



Distribution of CoVA IT Workforce

Northrop Grumman

Executive Branch *
(excl. higher education)

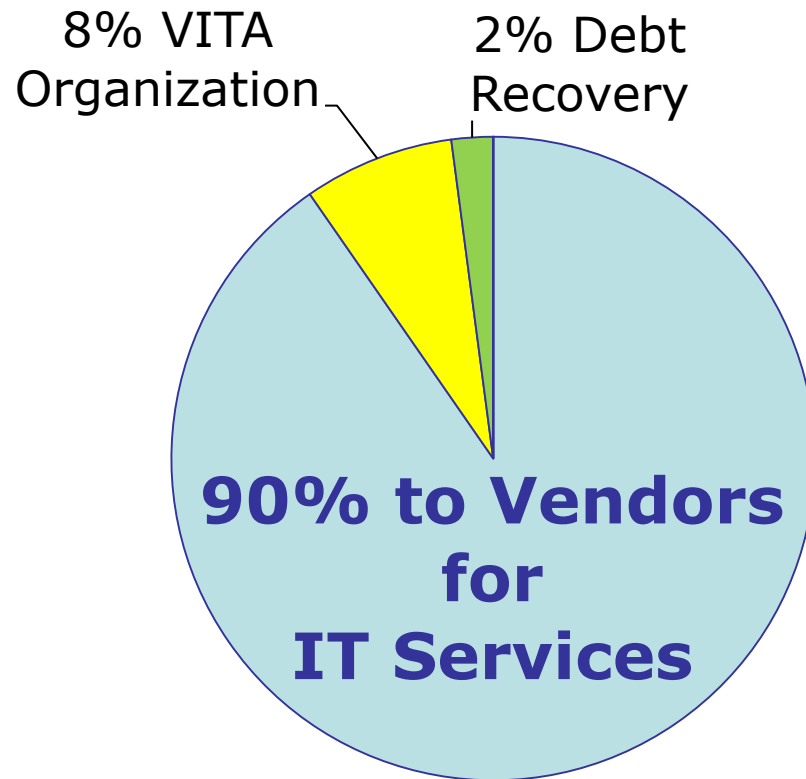


VITA

*Agencies responsible for applications and non-supported services



VITA Cost Recovery in FY11



VITA is primarily an Internal Service Funded (ISF) agency

VITA's ISFs are overseen by JLARC

90% of VITA cost recovery is to pay vendors for agency consumption of IT services



VITA – Payments vs. Cost Recovery

The story behind VITA's path toward financial stability

FY	VITA Expenses 90% Vendor payments (\$ millions)	VITA Cost Recovery (\$ millions)	Profit/Loss (\$ millions)
2010	289	257	-32
2011	298	304	6

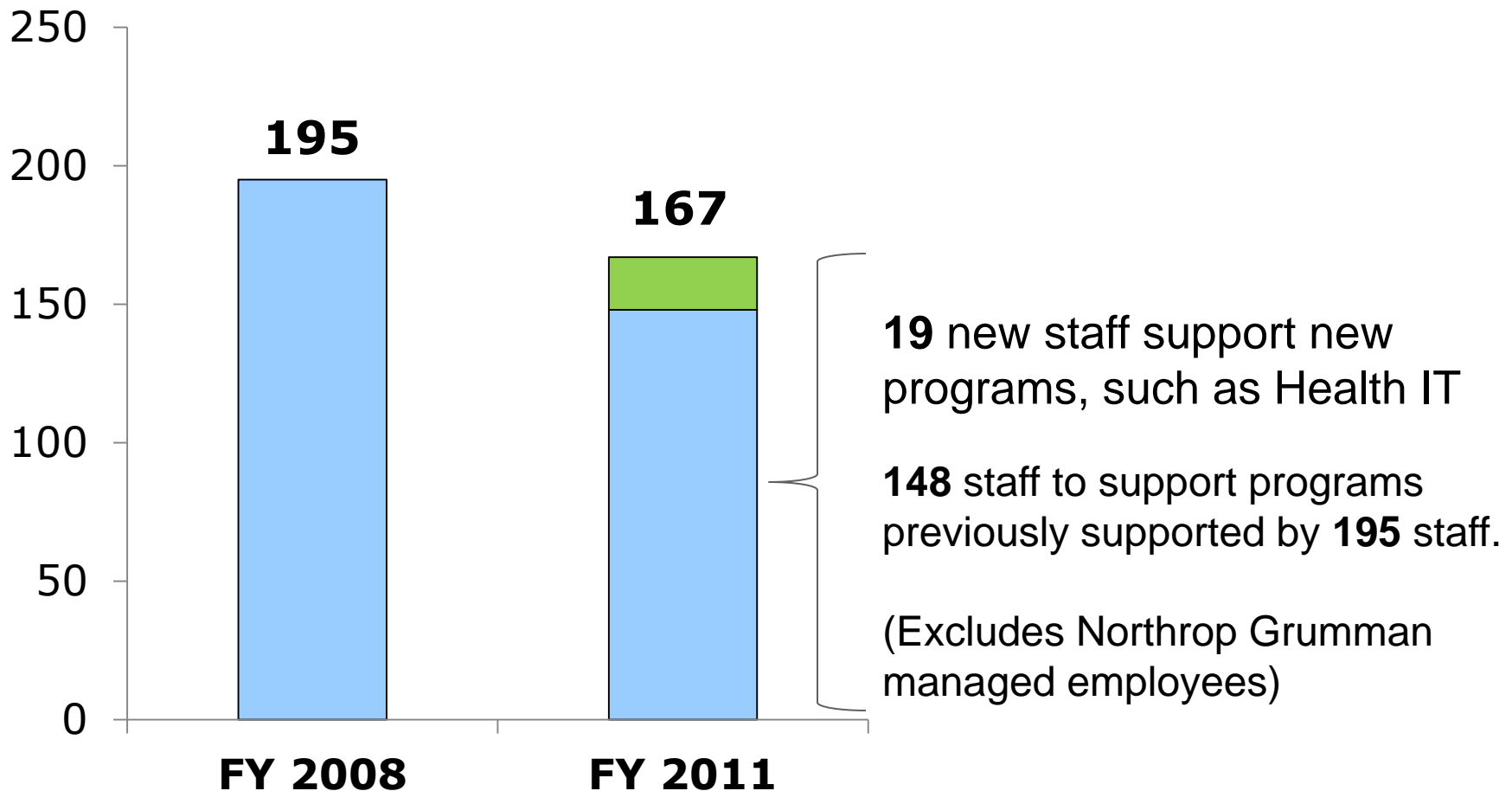


VITA Retained Organization

- 15% cost reduction since June 2010
 - Primarily due to net staffing reductions
 - Agency personnel and other costs equal \$23 M
- HB 30 contains additional 6% reduction in VITA's costs
- VITA must pay down Treasury loan
 - \$6 M recovered annually through rates over four years; represents 2% of VITA cost recovery



VITA Staff 15% Smaller As Programs Grew





Components of VITA Cost Recovery

Cost Component	Amount (\$ millions)
Baseline IT services (2005 levels and types)	236
Service Growth and Non-Northrop Grumman telco (Verizon, Sprint)	16
New services since 2005 (wireless, storage, etc.)	11
Legacy fees for non-transformed agencies	4
Contractually-required COLA	9
VITA organization costs (down 15% from FY10)	23
VITA Treasury loan payment	6
TOTAL Costs (FY 11)	304*
<i>* Includes \$18 M in local government and higher ed telco</i>	



Agency Service Requests Increased

Work Request Growth in CY 2011

